GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:816
ANSWERED ON:22.11.2002
INDO-MAURITIUS TAX TREATY
PRABODH PANDA

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Government are considering a proposal to review the Mauritius tax treaty;

(b) if so, the details thereof; and

(c) if not, the other steps being taken to stop the one sided favour being bestowed to various Indian and foreign institutional investors using Mauritius as a conduit at the cost of revenue in India ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN)

(a) &(b) No, Sir.

(c) The tax benefits being availed by foreign institutional investors of Mauritius are notone-sided but available to residents of both the countries as per the provision of Double Taxation Avoidance Convention between India and Mauritius which is a bilateral agreement. Steps have already been taken to ensure effective exchange of information to prevent its abuse.